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BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 95-1188-C - ORDER NO. 95-1642 ✓
NOVEMBER 16, 1995

IN RE: MobileMedia Communications,)	ORDER APPROVING
Inc. - Application to Issue)	ISSUANCE OF
Securities)	SECURITIES

MobileMedia Communications, Inc. (the "Applicant") filed an Application with the Public Service Commission of South Carolina (the "Commission") seeking authority to issue Senior Subordinated Notes due 2007 (the "Notes") in the aggregate principal amount of \$225 million. The Applicant is a "radio common carrier" as defined in Chapter 11, Title 58, Code of Laws of South Carolina, 1976, as amended, (the "Code"), possessing a Certificate of Public Convenience and Necessity to provide paging and messaging services to customers in most of South Carolina. The Notes are "securities" as defined in Section 58-11-10 (i) of the Code, and therefore the Commission must approve the issuance of the Notes under Section 58-11-240 of the Code.

In support of its application for approval, Applicant filed a copy of a Registration Statement on Form S-1 as filed with the Securities and Exchange Commission (SEC) on October 2, 1995. The Notes are to be offered in a fully registered

offering under the Securities Act of 1933, as reflected in the Registration Statement. Applicant also provided supplemental information as to the financial effect of the Notes offering on the Applicant's business. The Applicant will use the net proceeds from the Notes offering, estimated to be \$214,675 million, to pay part of the \$945 million purchase price to acquire Mobile Communications Corporation of America ("MobileComm"), the paging and wireless messaging unit of BellSouth Corporation, pursuant to a purchase and license transfer agreement between Applicant and BellSouth Corporation dated as of September 13, 1995.

By letter dated October 24, 1995, the Applicant supplemented its application to request authority to issue Notes in an aggregate amount not to exceed \$258.75 million, should demand for the Notes exceed the planned issuance of \$225 million. The Form S-1 filed with the SEC, and attached to the Application in this matter as an exhibit, indicates that the Applicant seeks to register \$225 million principal amount of the Notes. However, rules of the Securities and Exchange Commission permit the Applicant to issue additional Notes in a principal amount of up to 15% more than the \$225 million as to which the Form S-1 was filed and will become

effective. These rules, in substance, allow the issuer discretion, in a registered offering under a Form S-1 approved by the SEC and declared effective, to sell up to 115% of the amount as to which registration and approval was sought, but only if no other changes are made to the offering as described in the Form S-1 as approved by the SEC. Any changes to the offering other than sale of the extra 15% would require a formal amendment to the SEC, and would be subject to SEC review and approval. The Applicant proposes that the Commission approve the issuance of the additional Notes only as permitted by the SEC Rules summarized herein, since there would be no changes to the information previously reviewed by the Commission Staff other than an increase in the Applicant's long-term debt and an offsetting increase in the proceeds of the offering.

By letter dated November 3, 1995, the Applicant advised the Commission that the Applicant had been advised that market demand for the Senior Subordinated Notes exceeded expectations. The Applicant stated that it believed that as much as \$350 of the Senior Subordinated Notes could be sold. The Applicant therefore requested authority to sell up to \$350 million of the Senior Subordinated Notes. Further, the

Applicant stated that it had been advised by the SEC staff that any necessary review could be completed in time to allow the Applicant to make any modifications to the Applicant's S-1. Counsel for the Applicant advised that Commission Staff that the Applicant made a formal amendment to its S-1 to increase the offering from a maximum of \$258 million to \$350 million. The Applicant reiterated to the Commission that all funds from the Senior Subordinated Notes offering are committed to the MobileComm acquisition.

Having reviewed the Application and evidence submitted by the Applicant in this matter, the Commission finds the facts to be as set forth in this order. The Commission believes that the Application should be approved and makes the following conclusions of law.

CONCLUSIONS OF LAW

1. The purposes of the issuance and sale of the Notes are lawful objects within the corporate purposes of Applicant, and are within the authority and purposes set forth in the Applicant's charter. For the reasons set forth herein, the issuance and sale of the Notes will be compatible with the public interest, are necessary and appropriate for,

and consistent with, the proper performance by Applicant of its service to the public as a utility, will not impair its ability to perform that service, will be reasonably necessary and appropriate for such purpose, and will be in the public interest.

2. The Applicant's financial condition is shown by audited financial statements for prior years contained in the Form S-1 filed by the Applicant as a exhibit in this matter. In addition, pro forma financial data giving effect to the issuance of the Notes appear in the Form S-1. The benefit of the issuance of the Notes will be providing a portion of the funds necessary to complete the MobileComm purchase which in turn will strengthen the Applicant's competitive position in providing telecommunications services to its customers.

3. Applicant will acquire cash equal to the principal amount of the Notes issued and sold.

4. Issuance of the Notes, in a principal amount up to \$350 million, is reasonably necessary to complete the MobileComm purchase.

5. Approval of the Application does not bind the Commission as to the rate-making treatment of the issuance, nor impose any liability upon the Commission.

6. This Order shall not, in any way, affect or limit the right, duty or jurisdiction of the Commission to further

investigate and order revisions, modifications, or changes with respect to any provision of this Order in accordance with the law.

7. This Order shall be deemed the Certificate of Authority to issue the Notes in a principal amount up to \$350 million as required by Section 58-11-240 of the Code.

8. This Order is contingent on approval by the Securities and Exchange Commission of the Applicant's Form S-1, as amended, as attached to the Application in this matter.

IT IS THEREFORE ORDERED:

1. That MobileMedia Communications, Inc. be and it is hereby authorized, empowered, and permitted to issue and sell securities (the Notes) upon the terms and conditions set forth in its Application and in this Order.

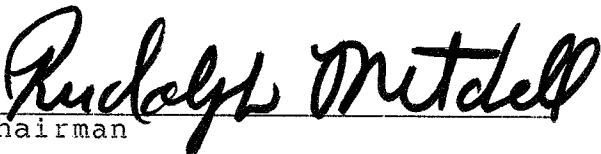
2. Approval of this Application does not bind the Commission as to the rate-making treatment of this issuance, nor impose any liability upon the Commission.

3. This Order shall not, in any way, affect or limit the right, duty or jurisdiction of the Commission to investigate and order revisions, modifications or changes with respect to any provision of this Order in accordance with the law.

4. This Order is contingent upon approval by the Securities and Exchange Commission of the Applicant's submitted Form S-1, as amended.

5. This Order shall be effective upon issuance and shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)